



State of California
Employment Training Panel

Training Proposal for:
Fresno Truck Center

Agreement Number: ET09-0299

Panel Meeting of: **October 17, 2008**

ETP Regional Office: **Sacramento**

Analyst: J. Basquez

PROJECT PROFILE

Contract

Type: SET/HUA - Retrainee

Industry

Sector(s): Services

Counties

Served: Fresno, Kern, San Joaquin,
Sacramento

Repeat

Contractor: ☐ Yes ☒ No

Union(s): ☒ Yes ☐ No

International Association of
Machinists & Aerospace Workers,
District 190, Local 653

Priority

Industry: ☐ Yes ☒ No

No. Employees in CA: 345

No. Employees Worldwide: 345

Turnover Rate %	Manager/ Supervisor %
15%	0%

FUNDING DETAIL

Program Costs	Substantial Contribution	Total ETP Funding
\$341,250	\$0	\$341,250

In-Kind Contribution
\$892,320

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Average No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	SET/HUA - Retrainee	Commercial Skills	130	24 - 200	0	\$2,625	\$21.00
				Weighted Avg: 175			

Minimum Wage by County: Sacramento County \$13.58, Fresno, San Joaquin, Kern counties \$12.85

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☒ Yes ☐ No

\$4.90 per hour may be used to meet the Post-Retention Wage.

Other Benefits: Pension Benefit Non Union, 401 K Plan, Profit Sharing Plan, Union Pension

Wage Range by Occupation	
Occupation Title	Wage Range
Technican	

INTRODUCTION

In this proposal, Fresno Truck Center (FTC) seeks funding for retraining as outlined below:

FTC started as a small trailer manufacturing business in the 1930's. FTC has become one of the largest truck dealerships on the west coast. Now, in its fourth generation of family ownership, it has grown from a hand full of entrepreneurs to a multi-million dollar business with 354 employees. In the past three years FTC has delivered over 5,000 new and used diesel trucks that have immensely contributed to the economic growth of California and the Mid West.

FTC is a Freightliner Dealer providing factory approved service and parts to support hundreds of small and large companies transporting commodities throughout the nation. Corporate headquarters are located in Fresno County which is a High Unemployment Area (HUA). Three other facilities included in this proposal are Bakersfield, Stockton, and Sacramento. The Fresno facility is the only one that has union employees. All of the training will take place at the Fresno facilities.

FTC customers are large interstate and intrastate hauling companies, small local independent owner/operators, farmers, and business owners in the trucking industry.

PROJECT DETAILS

FTC is challenged by the slow economic growth plaguing the state and nation; new diesel engine emission standards set by EPA and California Air Resource Board which go into effect soon are all affecting FTC. Service and maintenance on the new high tech engines and retro fitting older trucks to “cleaner and greener” machines is going to require increased training for the 130 technicians working in FTC’s four Sacramento Valley/San Joaquin Valley dealerships. The impact of the high tech low emission trucks now coming on line will demand further investment in technician training. In 2007 FTC spent \$600,000 on service department training. The proposed ETP funding will supplement this crucial training. In a two year period FTC will train its technicians double the requested 200 hours so meeting the requirements for this proposal will not be an issue.

To meet its business challenges, FTC requests the Panel’s assistance in retraining its workforce. FTC would like to train 130 technicians in the following:

Commercial Skills training will focus on the areas of Service & Maintenance, Electrical Problem Solving, Heating Air Conditioning, Automated Transmission, Electrical Systems, Brakes and will be conducted by FTC certified in-house trainers in a classroom setting outside of the Technicians’ normal work place.

Commitment to Training

FTC has a training budget for 2008 of \$195,500 and a combined training budget for all four facilities of \$636,235. FTC also provides sexual harassment prevention training, new employee orientation, and safety training.

FTC represents that ETP funds will not displace the existing financial commitment to training. FTC anticipates that the opportunity for enhanced training made possible by ETP funds will encourage an ongoing financial commitment in this area.

FTC represents that safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

Special Employment Training

FTC four facilities Fresno, Bakersfield, Stockton and Sacramento (Del Paso Heights) have all been identified as HUA areas so FTC is requesting to use SET funding for this proposal.

Special Employment Technology (SET) trainees are eligible for training under this Agreement, the employees must be “frontline workers” within the meaning of Title 22, California Code of Regulations, Section 4400(ee). The owner(s) will be eligible if at least one employee also participates in training. For this purpose, ownership means a 20% or greater financial investment and direct involvement in the business.

The 130 trainees in Job Number 1 work in a High Unemployment Area (HUA). This is a region with unemployment exceeding the state average by at least 25%, using the unemployment rate set by the Labor Market Information Division of the Employment Development Department. (Title 22, CCR, Section 4429(b).) For this reason, the ETP Minimum Wage is acceptable as the post-retention wage. FTC pays trainees well above the ETP Minimum Wage, as shown in the Training Plan Table.

Union Support

Fifty of the 130 trainees in this proposal (located at the Fresno facility) are members of the International Association of Machinists and Aerospace Workers, Local Lodge 653/District Lodge No.190.

RECOMMENDATION

For the reasons set forth above, staff recommends approval of this proposal.

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum**Class/Lab Hours****24-200****Commercial Skills**

- Service & Maintenance
- Electrical Circuits & Components
- Electrical Problem Solving
- Heating & Air Conditioning Maintenance
- Cascadia Service
- Auto Transmission Interface
- Air/Hydro Brakes ABS
- Medium Duty Electronics
- Hydraulic Brake Workshop
- Introduction to the AGS Transmission
- Seven Steps to Circuit Mapping
- Introduction to Front and Rear Axles
- EPA07 Vehicle Changes
- Starter Switch Operation and Troubleshooting
- Coolant Maintenance
- Davco Fuel/Water Separator
- Introduction to Multiplexing
- Starter Circuit Quick Test

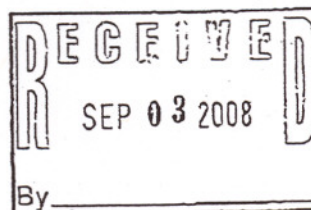
**INTERNATIONAL ASSOCIATION of MACHINISTS****and AEROSPACE WORKERS****Local Lodge 653 / District Lodge No. 190**

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September 2, 2008

Employment Training Panel
Attn: Application Review Unit
1100 J Street, 4th Floor
Sacramento, CA 95814



ET09-0299

Re: Fresno Truck Center
Reference Number: 08-0442

Dear Ms. Walton:

Fresno Truck Center is under contract with the International Association of Machinists and Aerospace Workers, District 190, Local 653, in Fresno, California. They are a strong advocate for training and certification and participate as active members in the Central Valley Automotive/Machinists Joint Apprenticeship Committee.

Due to the changing requirements of Heavy Duty Truck Mechanics, the need for the training of Journeymen is essential.

The Union supports Fresno Truck Center in their request to the Employment Training Panel.

Yours truly

Thomas L. Rotella, Jr.
Business Representative
IAM & AW, District 190, Local 653